

**Statement of Ambassador Linton F. Brooks  
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National Nuclear Security Administration  
U.S. Department of Energy  
Before the  
House Armed Services Committee  
Subcommittee on Strategic Forces**

**March 2, 2005**

Thank you for the opportunity to discuss the FY 2006 Budget Request for the National Nuclear Security Administration (NNSA). This is my third appearance before this Committee as the Under Secretary for Nuclear Security, and I want to thank all of the Members for their strong support for our important national security responsibilities.

**OVERVIEW**

In the fifth year of this Administration, with the strong support of Congress, NNSA has achieved a level of stability that is required for accomplishing our long-term missions. Our fundamental responsibilities for U.S. national security include:

- Stewardship of the Nation's nuclear weapons stockpile;
- Reducing the threat posed by the proliferation of weapons of mass destruction;
- Providing reliable and safe propulsion for the U.S. Navy; and,
- Managing the national nuclear security complex, which includes both security for our facilities and materials to protect our employees and our neighbors, and sustaining the weapons complex infrastructure.

This budget request supports the NNSA's mission.

In his State of the Union Address in February, the President underscored the need to restrain spending in order to sustain our economic prosperity. As part of this restraint, it is important that total discretionary and non-security spending be held to levels proposed in the FY 2006 Budget. The budget savings and reforms in the Budget are important components of achieving the President's goal of cutting the budget deficit in half by 2009 and we urge the Congress to support these reforms. To support the President's goal, most programs in NNSA's budget of \$9.4 billion are funded at levels less than we projected last year.

The major exceptions are those nonproliferation programs that directly affect homeland security. Consistent with the President's priorities, we have increased funding for activities associated with nonproliferation by 15 percent on top of the already significant budgets of last year, for a total request of \$1.6 billion. That increase has been targeted for research on proliferation detection technologies, for programs to improve the security of weapons material outside the United States, and to detect such material in transit.

The international community faces a variety of new and emerging threats. As the events of September 11, 2001 made clear, new sub-national threats are emerging that involve hostile groups willing to use or support the use of low-tech weapons of great destructive capability. If these groups come to possess nuclear weapons or other weapons of mass destruction (WMD), they would pose an even greater threat to the United States. Thus, diplomatic, political, and other efforts to prevent the acquisition of nuclear weapons, weapons-usable materials, or chemical or biological weapons, in conjunction with a robust counter-terrorism effort and defenses, are the best means available to address this threat.

The FY 2006 request in our Stockpile Stewardship Program also makes adjustments to ensure that we continue to meet our commitments to the Department of Defense (DoD). In the post-Cold War world, nuclear weapons play a critical but reduced role in the Nation's overall security posture. Nuclear forces – linked with an advanced conventional strike capability and integrated with a responsive infrastructure – continue to be an essential element of national security by strengthening our overall ability to reassure allies of U.S. commitments, dissuade arms competition from potential adversaries, and deter threats to the U.S., its overseas forces, allies, and friends.

Key elements of our nuclear posture involve strategies that enable the U.S. to quickly adapt and respond to unanticipated changes in the international security environment or to unexpected problems or “surprises” in the status of our nuclear forces. As our Nation's nuclear stockpile draws down to levels established in the Treaty of Moscow – between 1,700-2,200 operationally deployed strategic nuclear warheads – the U.S. will also reduce dramatically the total number of warheads in the stockpile. The June 2004 Report to Congress, “A Revised Nuclear Weapons Stockpile Plan for 2012”, lays out our plans to meet this goal by 2012.

A critical strategy to support these reductions is to establish a flexible and responsive nuclear weapons infrastructure to support future defense requirements. A responsive NNSA infrastructure – people and facilities – includes innovative science and technology research and development at the National laboratories and agile production facilities that are able to meet identified needs and are capable of responding to unanticipated problems in the stockpile.

The initiative for NNSA to develop a more responsive infrastructure was first developed in the Nuclear Posture Review submitted to Congress in January 2002. That Review couples the plan for stockpile reductions, agreed to in the Treaty of Moscow, with the ability to respond quickly to any surprise events in the future, such as an unexpected degradation in certified performance of a U.S. stockpile weapon or, on the world scene, an unanticipated military threat. On that basis, NNSA is now developing its capabilities to employ its weapons infrastructure in the required “responsive” way. This plan is now under development and will begin to be evident when we provide the FY 2007 budget to the Congress, since it is tied directly to the 2012 commitment for 1,700-2,200 operationally deployed strategic warheads.

The NNSA is also evaluating what the weapons complex should look like in the future. A Nuclear

Weapons Complex Infrastructure Study, directed by the House Report accompanying the FY 2005 Energy and Water Development Appropriations Act, is underway and is scheduled to be complete by the end of April 2005. The Study is being run as a task force under the Secretary of Energy's Advisory Board.

NNSA's principal mission is to assure that the Nation's nuclear stockpile remains safe, secure, and reliable. A rigorous program enables the Secretaries of Energy and Defense to report each year to the President on the safety, security, and reliability of our nuclear weapons stockpile. Stockpile Stewardship activities are carried out without the use of underground nuclear testing, continuing the U.S. moratorium on testing initiated in the early 1990's. This is made possible by using science-based judgments informed by cutting edge scientific and engineering tools as well as extensive laboratory and flight tests. We are gaining a more complete understanding of the stockpile each year. Computer codes and platforms developed by our Advanced Simulation and Computing (ASC) campaign are now used to address three-dimensional issues in weapons performance.

NNSA also is working, through weapon refurbishment, to ensure that an aging stockpile is ready to meet Department of Defense requirements. The W87 Life Extension Program was completed in September 2004 and the remaining Life Extension Programs are progressing well. A significantly lower number of refurbishments are expected as a result of a reduced stockpile, with savings being realized in the next decade. We are also producing new tritium for the first time since 1988 and the new Tritium Extraction Facility at Savannah River is ahead of schedule and under budget. Los Alamos National Laboratory remains on track to certify a war reserve W88 pit by 2007. As articulated in our January 2005 Report to Congress, we are refining plans for a Modern Pit Facility.

The Nation continues to benefit from advances in science, technology and engineering fostered by the national security program activities, including cutting edge research and development carried out in partnership with many of the Nation's colleges, universities, small businesses and minority educational institutions. The NNSA programs, including three national laboratories, the Nevada Test Site, and the production facilities across the U.S. employ nearly 2,300 Federal employees and approximately 35,000 contractor employees to carry out this work.

We are also continuing to advance our nonproliferation objectives worldwide. In June 2002, the United States championed a new, comprehensive nonproliferation effort known as the Global Partnership. World leaders committed to provide up to \$20 billion over 10 years to fund nonproliferation programs in the former Soviet Union. The NNSA contributes directly to this effort by carrying out programs with the international community to reduce and prevent the proliferation of nuclear weapons, materials and expertise. The security of our Nation and the world are enhanced by NNSA's ongoing work to provide security upgrades for military and civilian nuclear sites and enhanced border security in Russia and the Former Soviet Union. In the past year, we have completed comprehensive materials protection control and accountability upgrades at six Russian Navy and Strategic Rocket Forces nuclear weapon facilities, and we are now beginning efforts to install security upgrades at vulnerable Russian 12<sup>th</sup> Main Directorate sites.

We are planning a significant increase to the Megaports initiative, an effort to install radiation detection equipment at the world's largest seaports to screen large volumes of container traffic headed

for the United States well before it gets to our shores. This is a relatively new program and we already have agreements in place with several countries and are looking for more. With the support of the Congress, we hope to complete installation of detection equipment at 24 ports by 2010. We are reducing the world's stocks of dangerous materials such as plutonium through NNSA-sponsored Fissile Materials Disposition programs in the U.S. and Russia as well as through elimination of Russian plutonium production. We have also initiated the Global Threat Reduction Initiative (GTRI) to identify, secure, remove, and/or facilitate the disposition of high-risk vulnerable nuclear and radiological materials and equipment around the world that pose a threat to the United States and to the international community.

The Nation benefits from NNSA's work in partnership with the Department of Homeland Security to develop and demonstrate new detection technologies to improve security of our cities and ports. Perhaps the most tangible benefits to the Nation following the 9/11 terrorist attacks are the "first responder teams" of highly specialized scientists and technical personnel from the NNSA sites who are deployed across the Nation to address threats of weapons of mass destruction. These teams work under the direction of the NNSA Office of Emergency Operations, Department of Homeland Security and the Federal Bureau of Investigation to respond to nuclear emergencies in the U. S. and around the world. In the past year, these teams have provided support to such diverse groups and locations as ... The teams adapt to changing technologies and evolving challenges associated with combating terrorism and accident/incident scenarios in today's world. Outstanding performance in training, exercises, and real world events continues to justify NNSA's reputation for having one of the world's premier nuclear and radiological technical emergency response capabilities.

The NNSA also works in partnership with the DoD to meet their needs for reliable and militarily effective nuclear propulsion for the U.S. Navy. In the past year, the Naval Reactors Program has completed the reactor plant design for the VIRGINIA-class submarine, and supported "safe steaming" of another two million miles by our nuclear-powered ships. They have continued their unsurpassed record of "clean up as you go", including remediating to "green grass" the former S1C prototype Site at Windsor, Connecticut, and completing a successful demonstration of the interim naval spent fuel dry storage capability in Idaho.

#### FY 2006 BUDGET REQUEST

The FY 2006 budget request totals \$9.4 billion, an increase of \$233.3 million or 2.5 percent. We are managing our program activities within a disciplined five-year budget and planning envelope. We are doing it successfully enough to be able to address emerging new priorities and provide for needed funding increases in some of our programs – notably in Defense Nuclear Nonproliferation –within an overall modest growth rate by reallocating from other activities and projects that are concluded or being rescoped.

#### **NNSA BUDGET SUMMARY**

(dollars in millions)

	FY 2004 Comparable Appropriation	FY 2005 Original Appropriation	FY 2005 Adjustments	FY 2005 Comparable Appropriation	FY 2006 Request
Office of the Administrator	353	356	+1	357	344
Weapons Activities .....	6,447	6,226	+357	6,583	6,630
Defense Nuclear Nonproliferation .....	1,368	1,420	+2	1,422	1,637
Naval Reactors .....	762	808	-6	801	786
Total, NNSA.....	8,930	8,811	+353	9,164	9,397

The NNSA budget justification contains outyear budget and performance information as part of a fully integrated budget submission as required by Sec. 3253 of the NNSA Act, as amended (Public Law 106-65). This section, entitled *Future-Years Nuclear Security Program*, requires NNSA to provide to Congress with each budget request the estimated expenditures necessary to support the programs, projects and activities of the NNSA for a five fiscal year period.

### Future Years Nuclear Security Program (FYNSP)

(dollars in millions)						
	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	Total
Office of the Administrator .....	344	358	372	387	402	1,863
Weapons Activities.....	6,630	6,780	6,921	7,077	7,262	34,671
Defense Nuclear Nonproliferation	1,637	1,674	1,711	1,748	1,787	8,556
Naval Reactors .....	786	803	821	839	857	4,106
Total, NNSA .....	9,397	9,615	9,825	10,051	10,308	49,196

This year's five-year projections show a decrease of \$496 million over the FYNSP approved for the FY 2005 President's Request. Within this total, there is an increase associated with the transfer of the Environmental Management scope for projects at NNSA sites (\$696 million). This increase is offset within the Department's overall budget by a corresponding reduction in the budget of the Environmental Management program. We have also programmed enhanced efforts in several NNSA programs during the 5 year period: Defense Nuclear Nonproliferation increases \$1.4 billion; Safeguards and Security increases \$979 million; Emergency Response activities increase \$154 million, and Office of Administration increases \$98 million. These increases are partially offset by reductions in Defense Programs (-\$3.0 billion), the Facilities Recapitalization efforts (-\$752 million), and Naval Reactors (-\$64 million). NNSA plans to rebalance outyear funding during the FY 2007-2011 PPBE process.

### DEFENSE NUCLEAR NONPROLIFERATION

The Defense Nuclear Nonproliferation program is one area of the NNSA budget where mission priorities require us to request significant increases in funding for FY 2006. The convergence of heightened terrorist activities and the associated revelations regarding the ease of moving materials, technology and information across borders has made the potential of terrorism involving weapons of mass destruction (WMD) the most serious threat facing the Nation. Preventing WMD from falling into the hands of terrorists is the top national security priority of this Administration. The FY 2006 budget request of \$1.64 billion for Defense Nuclear Nonproliferation represents an unprecedented effort to protect the homeland and U.S. allies from this threat.

The Defense Nuclear Nonproliferation program goal is to detect, prevent, and reverse the proliferation of Weapons of Mass Destruction (WMD) while mitigating nuclear risk worldwide. Our programs address the danger that hostile nations or terrorist groups may acquire weapons of mass destruction or weapons-usable material, dual-use production or technology, or WMD capabilities, by securing or eliminating vulnerable stockpiles of weapon-usable materials, technology, and expertise in Russia and other countries of concern.

Over the last four years the United States, in collaboration with the international community through joint nonproliferation programs, has had much success in preventing the spread of weapons of mass destruction. Some of these successes supported by NNSA's Nuclear Nonproliferation Program include: a two year acceleration in securing 600 metric tons of weapons-usable material at 51 sites in Russia and the Newly Independent States; upgrading 13 nuclear facilities in the Newly Independent States in the Baltic region to meet international physical protection guidelines; and establishing the Megaports Initiative that I mentioned earlier.

The Administration is requesting \$1.64 billion to support activities to reduce the global weapons of mass destruction proliferation threat, about \$214 million or a 15 percent increase over comparable FY 2005 activities. The Administration has targeted both the demand and supply side of the nuclear terrorism challenge with aggressive nonproliferation programs that have achieved a number of major successes in recent years. Through the Global Partnership with the G-8 nations, the United States is dedicating the necessary resources to combat this complex threat, committing to provide half of the \$20 billion for this effort, including \$1 billion in FY 2006 in programs through NNSA, DoD and the Department of State.

For FY 2006, \$343.4 million is included to support the **International Nuclear Materials Protection and Cooperation** program to secure nuclear materials in the Former Soviet Union, a 16.6 percent increase over the FY 2005 enacted appropriation. For over a decade, the United States has been working cooperatively with the Russian Federation to enhance the security of facilities containing fissile material and nuclear weapons. The scope of these efforts has been expanded to protect weapons-usable material in countries outside the Former Soviet Union as well. These programs fund critical activities such as installation of intrusion detection and alarm systems, and construction of fences around nuclear sites. Efforts to complete this work and to secure facilities against the possibility of theft or diversion have been accelerated.

A number of major milestones for this cooperative program are on the near horizon and the FY 2006

budget ensures that sufficient funding will be available to meet these milestones. Security upgrades will be completed for Russian Navy nuclear fuel and weapons storage by the end of FY 2006 and for Rosatom facilities by the end of FY 2008—both two years ahead of the original schedule. Russian Strategic Rocket Forces sites will be completed in 2007, one year ahead of schedule. Additionally, cooperation will begin with the nuclear warhead storage sites of the Russian Ministry of Defense's 12<sup>th</sup> Main Directorate. By the end of 2006, NNSA will have supported completion of security upgrades at nearly 80 percent of the sites covered by the current bilateral agreement to secure nuclear materials and nuclear warheads in Russia and the Newly Independent States.

FY 2006 funding for the **Megaports** initiative, another part of the International Nuclear Materials Protection and Cooperation program, is requested at \$74 million, a \$59 million increase, to continue to deploy radiation detection equipment at key overseas ports to pre-screen U.S. bound cargo containers for nuclear or radioactive materials. These materials could be concealed in any of the millions of cargo containers in various stages of transit throughout the world's shipping network.

However, the busiest seaports also provide an opportunity for law enforcement officials to pre-screen the bulk of the cargo in the world trade system. Under the Megaports Initiative, DOE cooperates with international partners to deploy and equip key ports with the technical means to detect and deter illicit trafficking in nuclear and other radioactive materials. This effort supports the U.S. Department of Homeland Security's Container Security Initiative. The FY 2006 budget supports the completion of five ports, which will increase to ten the number of ports equipped through the Megaports Initiative.

Increased resources are being requested for the **Nonproliferation and Verification Research and Development** program in FY 2006. The budget of \$272.2 million supports proliferation detection and nuclear explosion monitoring efforts. The additional \$48.3 million above the enacted FY 2005 appropriations will be used to leverage the technical expertise and experience of the National Laboratories and universities to provide a crucial boost to our basic and applied radiation detection and radiochemistry science efforts. This research will develop improved basic radiation detector materials and radiochemistry analytical capabilities, as well as the applied technologies that will enable fielding our advanced technology in support of global nonproliferation missions. We need detectors and capabilities that are more sensitive, smaller, durable, and economical - the increase in basic and applied research will help us to achieve that goal.

Funding for the **Elimination of Weapons Grade Plutonium Production (EWGPP)** in Russia is requested at \$132 million in FY 2006. This program will result in the permanent shutdown of three Russian nuclear reactors, which currently produce weapons-grade plutonium. These reactors, which are the last three reactors in Russia that produce plutonium for military purposes, also provide necessary heat and electricity to two Russian "closed cities" in the Russian nuclear weapons complex. This budget provides the funding needed to shutdown the three reactors through 1) refurbishment of an existing fossil fuel (coal) power plant in Seversk by 2008; and 2) construction of a new fossil-fuel plant at Zheleznogorsk by 2011. This will eliminate the production of 1.2 metric tons annually of weapons-grade plutonium. The program is of critical importance because plutonium that is never created does not have to be accounted for, does not need to be secured, and will not be available to be targeted by terrorists. . The EWGPP program has been working with the Army Corps of Engineers

(COE) to perform an independent cost review of both projects. The Seversk review has been completed and the COE found the project cost to be valid and reasonable. The Zheleznogorsk study will be completed later in FY2005.

At \$98 million, the **Global Threat Reduction Initiative (GTRI)** program, a newly created initiative announced in 2004, brings together key activities that support the goal to identify, secure, remove and facilitate the disposition of high-risk, vulnerable nuclear and radiological materials and equipment around the world. Our Nation has begun to reap the benefits of this initiative with the successful completion of two shipments of Russian-origin fresh high-enriched uranium nuclear fuel to Russia from foreign research reactors. These shipments fall under one of several programs geared toward implementing the U.S. highly enriched uranium minimization policy.

The NNSA is requesting \$653 million in FY 2006 to continue to support the **Fissile Materials Disposition** program to dispose of surplus weapons-grade fissile materials under an agreement between the United States and Russia. Both countries have agreed to dispose of 34 metric tons of plutonium by converting it to a mixed oxide fuel and burning it in electricity-generating nuclear reactors.

We are working to design and build facilities to dispose of these inventories in the U.S. and are supporting concurrent efforts in Russia to obtain reciprocal disposition of similar materials. One of the key obstacles is an ongoing disagreement with Russia regarding liability protection for plutonium disposition work performed in that country.

This has resulted in a significant delay in the planned start of construction of the MOX Fuel Fabrication facilities and the Pit Disassembly and Conversion Facility. I am cautiously optimistic that we are over the hurdle on this issue but details still need to be negotiated and finalized. Please be assured that we remain committed to building these facilities and to the long-term objectives of the program. We will keep you posted as progress is made. The FY 2006 net increase is primarily for the Off-specification HEU Blend-Down Project with TVA and increased oversight to support major construction of the MOX Fuel Fabrication facility in FY 2006.

## **WEAPONS ACTIVITIES**

The FY 2006 budget request for the programs funded within the Weapons Activities appropriation is \$6.63 billion, less than a one percent increase over FY 2005. This request emphasizes programs supported by the Nuclear Posture Review, which directed that NNSA maintain a research, development, and manufacturing base that ensures the long-term effectiveness of the Nation's stockpile. This request also supports the facilities and infrastructure that must be responsive to new or emerging threats.

Directed Stockpile Work (DSW) is one of our areas of special emphasis this year with an FY 2006 request of \$1.4 billion, an 11 percent increase over FY 2005. The increase is needed to ensure that we continue to meet DoD requirements. Without question, our focus remains on the stockpile, but we are



looking ahead. The United States is continuing work to refurbish and extend the life of the warheads in the stockpile through the life extension program. Work on the life extensions are progressing well, with the W87 LEP being completed in September 2004. First Production Units are scheduled for three other systems, the B61, W76 and W80, in the FY 2006-2009 timeframe.

In FY 2006, DSW funding will support resumption of the Robust Nuclear Earth Penetrator (RNEP) feasibility and cost study with \$4.0 million requested. Resumption of the RNEP study was requested by the Secretary of Defense after his personal review. I would like to point out that we are only asking for funds to complete a truncated study that began May 1, 2003 – one system only, not two as originally proposed, so the costs will be lower. I would also like to emphasize that absolutely no decisions have been reached, there is no engineering development work planned which would require Congressional approval and there is no funding being requested past FY 2007. We have also eliminated the contingency funding for follow-on work shown in last year's FYNSP. I believe the Administration and the Congress need to have an important discussion about the need for this capability but it would be best to complete the feasibility and cost study so we can all make an informed decision.

Congress appropriated \$9.0 million in FY 2005 for the Reliable Replacement Warhead. We think this is an excellent way to reduce costs and maintain the stockpile and we have requested \$9.4 million in FY 2006, about a 4.7 percent increase, to continue this initiative.

Progress in other parts of the Stockpile Stewardship Program continues. The FY 2006 request for Campaigns is \$2.1 billion. This request funds a variety of Campaigns, experimental facilities and activities that continue to enhance NNSA's confidence in "science-based" judgments for stockpile stewardship, and provide cutting edge technologies for stockpile certification and maintenance. Without question, our Campaigns are providing immediate and tangible benefits to the stockpile.

While there is no reason to doubt the ability of the Stockpile Stewardship Program to continue to ensure the safety, security, and reliability of the nuclear deterrent, the Nation must maintain the ability to carry out an underground nuclear weapons test in the event of some currently unforeseen problems that cannot be resolved by other means. Consistent with the law, we are improving our readiness posture from the current ability to test within 24 to 36 months to an ability to test within 18 months. The FY 2006 budget request of \$25.0 million supports achieving an 18-month readiness posture by September 2006. We will achieve a 24-month readiness posture in FY 2005. But let me be clear, there are no plans to test.

The National Ignition Facility (NIF) at Lawrence Livermore National Laboratory (LLNL) continues to be an essential component of the Stockpile Stewardship Program. Consistent with the strong views of the Congress, we are continuing towards full commissioning of all 192 beams and focus on the 2010 ignition goal. To do this, however, we have had to accept additional risks and reduce some other inertial confinement fusion work at other sites. The FY 2006 request of \$460.4 million for the Inertial

Confinement Fusion and High Yield Campaign, a 14% reduction from FY 2005, reflects those reductions. Inertial fusion ignition is the greatest technical challenge ever pursued by the Department. Ignition has never been achieved in the laboratory and this scientific advance will benefit several national endeavors.

The Dual-Axis Radiographic Hydrodynamic Test Facility (DARHT) at Los Alamos National Laboratory (LANL) is already producing the highest quality images of simulated primary implosions ever obtained. As you can imagine, this was an area of very high interest during the LANL suspension. The first hydro test in many months is expected in March 2005 to support the W76 LEP. The FY 2006 request of \$27.0 million will support repair and commissioning of the second axis to provide time sequence information required for future weapon primary certification.

The Advanced Simulation and Computing (ASC) request for FY 2006 is \$660.8 million, a decrease of 4.7 percent from FY 2005. This will fund the current and planned operating platforms and the codes employed by designers and scientists in Stockpile Stewardship Program. In FY 2006, the ASC program will improve physics and materials models to more accurately represent the complex physical phenomena in our weapons systems. For example, incremental improvements in Plutonium Equation of State and materials models will be incorporated into our modern codes. Efforts in Verification and Validation of the simulation tools will lead to improved confidence in simulation as a key component of stockpile assessment. FY 2006 formal code releases will be provided to the design community for the W76-1 LEP.

The NPR recognized a long-term need for a Modern Pit Facility (MPF) to support the pit manufacturing requirements of the entire stockpile. NNSA's FY 2006 request for MPF is \$7.7 million, which is included in the \$248.8 million request for the Pit Manufacturing and Certification Campaign. As articulated in our January 2005 Report to Congress, we are refining plans for a Modern Pit Facility. LANL remains on track to certify a war reserve W88 pit by 2007 and we are reestablishing the technology base to manufacture all pit types in the stockpile.

The Readiness Campaign request is \$218.8 million in FY 2006, a decrease of about 16 percent. The decrease is attributable mainly to the postponement of lower priority activities such as risk mitigation projects for the Life Extension Programs that are the least likely to impact life extension needs and also major items of equipment.

NNSA's Readiness in Technical Base and Facilities activities operate and maintain current facilities and ensure the long-term vitality of the NNSA complex through a multi-year program of infrastructure construction. About \$1.6 billion is requested for these efforts, a decrease of 8.7% from FY 2005. Funding for three new construction starts is requested and five candidate projects are in engineering design.

In FY 2006, the budget request is \$212.1 million for Secure Transportation Asset, a 6.2 percent increase over FY 2005 levels, for meeting the Department's transportation requirements for nuclear weapons, components, and special nuclear materials shipments. Hiring of additional federal agents and production of additional SafeGuards Transporters to meet the increased workload and new Design Basis Threat security requirements accounts for the increase.

The remainder of the Weapons Activities appropriation funding is for Nuclear Weapons Incident Response, Facilities and Infrastructure Recapitalization, and Safeguards and Security.

## **FACILITIES AND INFRASTRUCTURE RECAPITALIZATION**

The Facilities and Infrastructure Recapitalization Program (FIRP) is essential to NNSA's ability to continue revitalization of the complex consistent with the Nuclear Posture Review. The program is delivering on its mission to reduce deferred maintenance and restore the condition of facilities and infrastructure across the complex. I consider FIRP to be a true NNSA "success story", and am pleased to note that the National Research Council has commended NNSA's progress and execution of real property asset management as the most advanced within DOE. The FY 2006 FIRP request of \$283.5 million is a decrease of 9.6 percent over FY 2005. For the outyears, we intend to rebalance the FIRP budget profile presented in this President's Budget, within the overall NNSA budget allocation, to ensure the program's ability to accomplish its mission and fulfill its commitment to Congress.

## **ENVIRONMENTAL MANAGEMENT**

Environmental compliance is the focus of another management challenge to us. Let me begin by saying that the *NNSA of the Future* accepts responsibility for our environmental work at NNSA sites. The FY 2006 budget reflects the functional transfer of scope, funding and the associated Federal staff from the Office of Environmental Management (EM) to the NNSA. These functional transfers align responsibility with accountability, ensure clear accounting of the total cost of ownership, and improve overall effectiveness and efficiency. The transfers resolve existing inefficiencies caused by the duplicate EM/NNSA chain of command that has existed since the inception of the NNSA Act. The NNSA Act precludes EM from providing direction to NNSA employees or contractors – yet EM has direct control of budgeting and funding authority, and is accountable for environmental activities at NNSA sites. The current EM/NNSA management structure results in confused lines of authority that impede cost-effective and timely implementation of the cleanup program at NNSA sites. I would like to highlight that this is a zero sum budget transfer, which results in no increases to the Department's overall funding or staffing. I believe the transfer is essential to the effective and efficient operations of environmental activities at NNSA sites and the only viable alternative for the NNSA.

The transferred mission from EM is included in NNSA's FY 2006 Request of \$174.4 million in Environmental Projects and Operations. The environmental transfer activities include environmental restoration, legacy waste management and disposition, and decontamination and decommissioning at sites where NNSA has continuing missions. Specifically, the transfers include: Kansas City Plant; Lawrence Livermore National Laboratory (Main Site and Site 300); Nevada Test Site (including the waste disposal facilities); Pantex Plant; Sandia National Laboratories; and the Separations Process Research Unit. Environmental activities at the Los Alamos National Laboratory and Y-12 National Security Complex are expected to transfer in FY 2007. Additionally, the request in the Readiness in Technical Base and Facilities under operations of facilities includes a total of \$47.0 million for newly

generated waste at the Lawrence Livermore National Laboratory and the Y-12 National Security Complex (responsibility for newly generated waste at other NNSA sites was previously transferred by prior agreements).

We will manage all environmental activities that transfer within the newly established Environmental Projects and Operations Program, with the exception of newly generated waste, which will be managed by Defense Programs. We plan to use NNSA's successful Facilities and Infrastructure Recapitalization Program (FIRP) as the business model for managing our new environmental responsibilities. This includes strong central management and accountability for results; best-in-class business practices; and transparency in budget and program performance.

During this year of transition, NNSA, both in tandem with EM staff and "on our own", have been meeting with various outside organizations to not only discuss the proposed transfer, but also to gain insight into the ongoing issues and be able to represent NNSA's perspectives as well. We have routinely scheduled meetings with EPA Headquarters and Regions to discuss emerging regulatory issues, proposed rulemaking, and region-specific issues. NNSA staff, with EM, has engaged with regulators, Tribal entities, Citizen's Advisory Boards on cleanup end state definition and other topics pertinent to clean up and environmental compliance at all of the NNSA sites that will be transferring. NNSA staff has met with Tribal entities to entertain dialog on Tribal issues regarding this transfer. I personally addressed the combined intergovernmental meeting in December of the National Governor's Association, Energy Communities Alliance, National Governor's Association, National Association of Attorneys General, and State and Tribal Government Working Group.

## **NUCLEAR WEAPONS INCIDENT RESPONSE**

The Nuclear Weapons Incident Response request of \$118.8 million is 9.6% above the FY 2005 level. This represents a 7.6% program growth to bring first responder capability more into line with their increased responsibilities and operations tempo. It replaces outdated and inoperable equipment, provides qualification training, and develops and fields a communications kit that resolves incompatibility issues. It further provides for development and implementation of a first responder outreach program and provides a modest increase to the Technology Integration program, thus making the equipment purchase program more effective.

## **SAFEGUARDS AND SECURITY**

Protecting the Nation's assets is one of our highest priorities. The growth of our requests for the Safeguards and Security budget over the last five years clearly reflects our commitment to security.

In FY 2001, our request for safeguards and security was \$ 406.4 million. In FY 2003, the request grew to \$ 510.0 million--the first fiscal reflection of the more dangerous security environment recognized after 9/11. That funding and the increased amounts received in successive years has been used to further enhance our already strong security posture.

The FY 2006 request for Safeguards and Security is \$ 740.5million. NNSA sites are on track to implement the requirements contained in the May 2003 Design Basis Threat Policy by the end of

FY 2006. Assessment and planning to meet the higher threat delineated in the October 2004 revision to the Design Basis Threat Policy will be completed in the third quarter of this year. The budget request adequately funds our efforts to meet this refinement in FY 2006, but we are facing some shortfalls in subsequent years that we are going to have to deal with.

We have made significant improvements in the readiness of our protective forces and the physical plants they defend at the Los Alamos and Lawrence Livermore National Laboratories, the Y-12 National Security Complex, the Pantex Plant and the Nevada Test Site. Where we have found weaknesses based upon our own reviews or reviews conducted by others, these weaknesses have been fixed. We are moving ahead smartly to ensure the special nuclear materials entrusted to the NNSA are stored in modern secure facilities. *To this end, we have begun moving material from the TA-18 site at Los Alamos to the Device Assembly Facility on the Nevada Test Site—one of our most modern facilities designed specifically for security. We have also accelerated the construction of the Highly Enriched Uranium Materials Facility at Y-12 for storage of materials currently located in some of our oldest facilities.* We have worked through our difficulties with the security of classified removable electronic media at Los Alamos and have implemented strict policies and procedures to control such data and ensure accountability in the future.

## NAVAL REACTORS

The Naval Reactors FY 2006 budget request of \$786 million is a decrease of \$15.4 million from FY 2005. The majority of funding supports sustaining the Navy's 103 operational nuclear reactors. This work involves continual testing, analysis, and monitoring of plant and core performance which becomes more critical as the reactor plants age. The nature of this business demands a careful, measured approach to developing and verifying nuclear technology; designing needed components, systems, and processes; and implementing them in existing and future plant designs. Most of this work is accomplished at Naval Reactors' DOE laboratories. These laboratories have made significant advancements in extending core lifetime, developing robust materials and components, and creating an array of predictive capabilities.

Naval Reactors' operations and maintenance budget request is categorized into four areas of technology: Reactor Technology and Analysis; Plant Technology; Materials Development and Verification; and Evaluation and Servicing.

The \$213.9M requested for Reactor Technology and Analysis will support continued work on the design for the new reactor plant for the next generation of aircraft carriers, CVN-21. These efforts also support the design of the Transformational Technology Core (TTC), a new high-energy core that is a direct outgrowth of the Program's advanced reactor technology and materials development and verification work.

Reactor Technology and Analysis also develops and improves the analysis tools which can be used to safely extend service life beyond our previous experience base. The increasing average age of our Navy's existing reactor plants, along with future extended service lives, a higher pace of operation and reduced maintenance periods, place a greater emphasis on our work in thermal-hydraulics, structural mechanics, fluid mechanics, and vibration analysis. These factors, along with longer-life cores, mean

that for years to come, these reactors will be operating beyond our previously proven experience base.

The \$143.8M requested for Plant Technology provides funding to develop, test, and analyze components and systems that transfer, convert, control, and measure reactor power in a ship's power plant. Reactor plant performance, reliability, and safety are maintained through a full understanding of component performance and system condition over the life of each ship. Naval Reactors is developing components to address known limitations and to improve reliability of instrumentation and power distribution equipment to replace aging, technologically obsolete equipment. Additional technology development in the areas of chemistry, energy conversion, instrumentation and control, plant arrangement, and component design will continue to support the Navy's operational requirements.

The \$145.1M requested for Materials Development and Verification funds material analyses and testing to provide the high-performance materials necessary to ensure that naval nuclear propulsion plants meet Navy goals for extended warship operation and greater power capability. More explicitly, materials in the reactor core and reactor plant must perform safely and reliably for the extended life of the ship. Funds in this category also support Naval Reactors' share of work at the Advanced Test Reactor (ATR), a specialized reactor plant materials testing facility operated by the DOE Office of Nuclear Energy, Science, and Technology.

The \$183.4M requested for *Evaluation and Servicing* sustains the operation, maintenance, and servicing of Naval Reactors' operating prototype reactor plants and the remaining share of Naval Reactors' ATR operations. Reactor core and reactor plant materials, components, and systems in these plants provide important research and development data and experience under actual operating conditions. These data aid in predicting and subsequently preventing problems that could develop in Fleet reactors. With proper maintenance, upgrades, and servicing, the two prototype plants and the ATR will continue to meet testing needs for at least the next decade.

*Evaluation and Servicing* funds also support the implementation of a dry spent fuel storage production line that will put naval spent fuel currently stored in water pits at the Idaho Nuclear Technology and Engineering Center and at the Expanded Core Facility (ECF) on the Naval Reactors facility in Idaho into dry storage. Additionally, these funds support ongoing decontamination and decommissioning of inactive nuclear facilities at all Naval Reactors sites to address their "cradle to grave" stewardship responsibility for these legacies, and minimize the potential for any environmental releases.

In addition to the budget request for the important technical work discussed above, program direction and facilities funding is required for continued support of the Program's operations and infrastructure. The \$52.6M requested for facilities operations will maintain and modernize the Program's facilities, including the Bettis and Knolls laboratories as well as ECF and Kesselring Site Operations (KSO), through capital equipment purchases and general plant projects. The \$16.9M requested for construction funds will be used to build a materials development facility and a new office building. This will allow consolidation of work now occurring in several locations across the laboratories. Finally, the \$30.3M requested for program direction will support Naval Reactors' DOE personnel at Headquarters and the Program's field offices, including salaries, benefits, travel, and other expenses.

## OFFICE OF THE ADMINISTRATOR

The FY 2006 budget request of \$343.9 million is about 3.7 percent below the FY 2005 appropriation. The request reflects the completion the NNSA re-engineering initiative that streamlined support for corporate management and oversight of the nuclear weapons and nonproliferation programs.

Re-engineering resulted in an annual cost avoidance of over \$40 million realized by the reduction of NNSA federal staffing levels. In addition, the funding request is sufficient to support the new program for Historically Black Colleges and Universities, initiated by Congress in FY 2005, through FY 2006.

## MANAGEMENT ISSUES

I would like to conclude by discussing some of NNSA's management challenges and successes. This committee is well aware of the problems that beset the Los Alamos National Laboratory during the past year. In July 2004 the Laboratory Director imposed a stand down on essentially all activities at the laboratory because of a series of security and safety problems, especially an inability to locate two classified computer disks. While a thorough investigation revealed that the "missing" disks never existed, it also revealed that there were serious problems with the management of safety and security at Los Alamos. Operations have now resumed and the laboratory is in the process of putting into place long-term corrective actions. I have provided the Committee with a copy of the report prepared jointly by the former Deputy Secretary of Energy and myself that outlines the problems in detail. As a result of this action, I imposed a significant reduction in the management fee awarded to the University of California for the operation of Los Alamos.

Of particular concern to me was that the federal oversight system had recognized the safety-related problems at Los Alamos in advance, but not the security problems. The Committee has received an independent assessment of this weakness in oversight. I believe it was caused by leadership failures, inadequate numbers of trained Federal security experts, a local oversight approach that did not provide enough hands on involvement, and a failure to provide sufficient headquarters supervision of the local Site Office. We are in the process of implementing corrective action in each area. I will keep the Committee informed of our progress.

On the "success" side, the NNSA has fully embraced the **President's Management Agenda** through the completion of the NNSA re-engineering initiative by creating a more robust and effective NNSA organization. Additionally, NNSA's success has been recognized with consistently "Green" ratings, including Budget and Performance Integration. NNSA integrates financial data with its budget and performance information through implementation of its Planning, Programming, Budgeting and Evaluation (PPBE) process that was implemented simultaneously with the standup of the new NNSA organization established by the NNSA Act.

The PPBE process is in its third year of implementation, and seeks to provide a fully integrated cascade of program and resource information throughout the management processes, consistent with expectations in the NNSA Act. The cascade and linkages within NNSA mirror the Headquarters and field organization structures, and are supported by management processes, contracting, funds control and accounting documentation. The cascade and linkages are quite evident in our updated NNSA

Strategic Plan, issued last November.

We at NNSA take very seriously the responsibility to manage the resources of the American people effectively and I am glad that our management efforts are achieving such results.

Finally, to provide more effective supervision of high-hazard nuclear operations, I have established a Chief, Defense Nuclear Safety and appointed an experienced safety professional to the position. I believe this will help us balance the need for consistent standards with my stress on the authority and responsibility of the local Site Managers.

### **CONCLUSION**

In conclusion, I am confident that we are headed in the right direction. Our budget request will support continuing our progress in protecting and certifying our nuclear deterrent, reducing the global danger from proliferation and weapons of mass destruction, and enhancing the force projection capabilities of the U.S. nuclear Navy. It will enable us to continue to maintain the safety and security of our people, information, materials, and infrastructure. Above all, it will meet the national security needs of the United States of the 21st century.

Mr. Chairman, this concludes my statement. A statistical appendix follows that contains the budget figures supporting our request. My colleagues and I would be pleased to answer any questions on the justification for the requested budget.



## National Nuclear Security Administration Appropriation and Program Summary

(dollars in millions)

	FY 2004 Comparable Appropriation	FY 2005 Original Appropriation	FY 2005 Adjustments	FY 2005 Comparable Appropriation	FY 2006 Request
Office of the Administrator	353	356	+1	357	344
Weapons Activities .....	6,447	6,226	+357	6,583	6,630
Defense Nuclear Nonproliferation .....	1,368	1,420	+2	1,422	1,637
Naval Reactors .....	762	808	-6	801	786
<b>Total, NNSA.....</b>	<b>8,930</b>	<b>8,811</b>	<b>+353</b>	<b>9,164</b>	<b>9,397</b>

## Future Years Nuclear Security Program (FYNSP) Schedule

(dollars in millions)

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	Total
Office of the Administrator .....	344	358	372	387	402	1,863
Weapons Activities.....	6,630	6,780	6,921	7,077	7,262	34,671
Defense Nuclear Nonproliferation.....	1,637	1,674	1,711	1,748	1,787	8,556
Naval Reactors .....	786	803	821	839	857	4,106
<b>Total, NNSA .....</b>	<b>9,397</b>	<b>9,615</b>	<b>9,825</b>	<b>10,051</b>	<b>10,308</b>	<b>49,196</b>

## Weapons Activities Appropriation

(\$ in thousands)

	FY 2004 Comparable Appropriation <sup>a</sup>	FY 2005 Original Appropriation	FY 2005 Adjustments <sup>b</sup>	FY 2005 Comparable Appropriation	FY 2006 Request
<b>Weapons Activities</b>					
Directed Stockpile Work .....	1,290,525	1,316,936	-39,782	1,277,154	1,421,031
Science Campaign .....	258,856	279,462	-3,469	275,993	261,925
Engineering Campaign .....	265,206	260,830	555	261,385	229,756
Inertial Confinement Fusion and High Yield Campaign .....	511,767	541,034	-5,130	535,904	460,418
Advanced Simulation and Computing Campaign .....	715,315	703,760	-7,013	696,747	660,830
Pit Manufacturing and Certification Campaign .....	262,544	265,671	-2,651	263,020	248,760
Readiness Campaign .....	294,490	272,627	-11,181	261,446	218,755
Readiness in Technical Base and Facilities .....	1,649,959	1,670,420	116,033	1,786,453	1,631,386
Secure Transportation Asset.....	186,452	201,300	-1,591	199,709	212,100
Nuclear Weapons Incident Response.....	96,197	99,209	9,167	108,376	118,796
Facilities and Infrastructure Recapitalization Program .....	238,755	273,544	40,178	313,722	283,509
Environmental Projects.....				0	
and Operations.....	181,652	0	192,200	192,200	174,389
Safeguards and Security .....	628,861	757,678	-5,749	751,929	740,478
Subtotal, Weapons Activities .....	6,580,579	6,642,471	281,567	6,924,038	6,662,133
Use of Prior Year Balances .....	- 104,435	-86,000	72,912	-13,088	0
Security Charge for Reimbursable Work..	- 28,985	-30,000	0	-30,000	- 32,000
Transfer from DOD Appropriations.....	0	-300,000	0	-300,000	0
Undistributed Adjustment.....	0	0	2,400	2,400	0
<b>Total, Weapons Activities .....</b>	<b>6,447,159</b>	<b>6,226,471</b>	<b>356,879</b>	<b>6,583,350</b>	<b>6,630,133</b>

<sup>a</sup> FY 2004 reflects distribution of the rescission of \$37,007,815 from the Energy and Water Development Appropriations Act for FY 2004, approved reprogrammings, and comparability adjustments. Reference the "FY 2004 Execution" table for additional details on these adjustments.

<sup>b</sup> The FY 2005 adjustments column reflects distribution of the rescission of \$49,811,768 from the Consolidated Appropriations Act, 2005 (P.L. 108-447), transfer of funds pursuant to a letter dated December 9, 2004, from the Chairmen of the Senate and House Appropriation Committees to the Secretary of Energy, and comparability adjustments. Reference the "FY 2005 Execution" table for additional details on these adjustments.

## Defense Nuclear Nonproliferation Appropriation

(\$ in thousands)

	(dollars in thousands)				
	FY 2004 Comparable Appropriation <sup>a</sup>	FY 2005 Original Appropriation <sup>b</sup>	FY 2005 Adjustments <sup>b</sup>	FY 2005 Comparable Appropriation	FY 2006 Request
<b>Defense Nuclear Nonproliferation</b>					
Nonproliferation and Verification					
Research and Development.....	228,197	225,750	-1,787	223,963	272,218
Nonproliferation and					
International Security.....	86,219	154,000	-62,682	91,318	80,173
International Nuclear Materials					
Protection and Cooperation.....	228,734	322,000	-27,349	294,651	343,435
Global Initiatives for					
Proliferation Prevention.....	39,764	41,000	-325	40,675	37,890
HEU Transparency Implementation.....	17,894	20,950	-166	20,784	20,483
International Nuclear Safety					
and Cooperation.....	19,850	0	0	0	0
Elimination of Weapons-Grade					
Plutonium Production.....	81,835	40,097	3,872	43,969	132,000
Fissile Materials Disposition.....	644,693	624,000	-10,940	613,060	653,065
Offsite Source Recovery Project.....	0	7,600	-7,600	0	0
Global Threat Reduction Initiative.....	69,464	0	93,803	93,803	97,975
Subtotal, Defense					
Nuclear Nonproliferation.....	1,416,650	1,435,397	-13,174	1,422,223	1,637,239
Use of Prior Year Balances.....	-48,941	-15,000	14,880	-120	0
<b>Total, Defense</b>					
<b>Nuclear Nonproliferation.....</b>	1,367,709	1,420,397	1,706	1,422,103	1,637,239

<sup>a</sup> FY 2004 reflects distribution of the rescission of \$7,832,911 from the Energy and Water Development Appropriations Act for FY 2004, approved reprogrammings, and comparability adjustments. Reference the "FY 2004 Execution" table for additional details on these adjustments.

<sup>b</sup> The FY 2005 adjustments column reflects distribution of the rescission of \$11,363,176 from the Consolidated Appropriations Act, 2005 (P.L. 108-447), transfer of funds pursuant to a letter dated December 9, 2004, from the Chairmen of the Senate and House Appropriation Committees to the Secretary of Energy, and comparability adjustments. Reference the "FY 2005 Execution" table for additional details on these adjustments.

## Naval Reactors Appropriation

(\$ in thousands)

(dollars in thousands)

FY 2004 <sup>a</sup> Comparable Appropriation	FY 2005 Original Appropriation	FY 2005 <sup>b</sup> Adjustments	FY 2005 Comparable Appropriation	FY 2006 Request
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### Naval Reactors Development (NRD)

Operations and Maintenance.....	718,836	771,211	- 6,170	765,041	738,800
Program Direction.....	26,552	29,500	- 236	29,264	30,300
Construction.....	18,490	7,189	- 57	7,132	16,900
Subtotal, Naval Reactors Development.....	763,878	807,900	- 6,463	801,437	786,000
Less Use of prior year balances.....	- 2,006	0	0	0	0
Subtotal Adjustments.....	0	0	0	0	0
<b>Total, Naval Reactors.....</b>	<b>761,872</b>	<b>807,900</b>	<b>- 6,463</b>	<b>801,437</b>	<b>786,000</b>

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### Public Law Authorization:

Pub. L. 83-703, "Atomic Energy Act of 1954"

"Executive Order 12344 (42 U.S.C. 7158), "Naval Nuclear Propulsion Program"

Pub. L. 107-107, "National Defense Authorization Act of 2002", Title 32, "National Nuclear Security Administration"

P.L. 108-375, National Defense Authorization Act, FY 2005

P.L. 108-447, The Consolidated Appropriations Act, 2005

## Office of the Administrator Appropriation

(\$ in thousands)

	FY 2004 Comparable Appropriation	FY 2005 Original Appropriation	FY 2005 Adjustments	FY 2005 Comparable Appropriation	FY 2006 Request
Office of the Administrator Program Direction	352,949	356,200	851	357,051	343,869

## Funding by General Goal

(dollars in millions)

FY 2004	FY 2005	FY 2006	\$ Change	% Change	FY 2007	FY 2008	FY 2009	FY 2010
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### General Goal 1, Nuclear Weapons Stewardship

Directed Stockpile Work .....	1,291	1,277	1,421	+144	+11.3%	1,459	1,487	1,516	1,545
Science Campaign .....	259	276	262	-14	-5.1%	264	264	264	264
Engineering Campaign .....	265	261	230	-31	-11.9%	172	182	165	165
ICF and High Yield Campaign .....	512	536	460	-76	-14.2%	462	462	462	462
Advanced Simulation and Computing Campaign .....	715	697	661	-36	-5.2%	666	666	666	666
Pit Manufacturing and Certification Campaign .....	263	263	249	-14	-5.3%	251	251	251	251
Readiness Campaign .....	294	261	219	-42	-16.1%	220	220	220	220
Readiness in Technical Base and Facilities .....	1,650	1,786	1,631	-155	-8.7%	1,746	1,817	1,916	2,000
Nuclear Weapons Incident Response .....	96	108	119	+11	10.2	125	131	138	144
Secure Transportation Asset .....	186	200	212	+12	6.0%	223	234	246	258
Facilities and Infrastructure Recapitalization Program .....	239	314	284	-30	-9.6%	289	296	302	308
Safeguards and Security .....	629	752	740	-12	-1.6%	777	815	855	897
Program Direction .....	297	302	284	-18	-6.0%	296	307	320	332
Offset/PY Balance .....	-133	-341	-32	+309	-90.6%	-33	-34	-35	-36
<b>Total Goal 1, Nuclear Weapons Stewardship</b>	<b>6,563</b>	<b>6,693</b>	<b>6,740</b>	<b>+48</b>	<b>0.7%</b>	<b>6,916</b>	<b>7,097</b>	<b>7,285</b>	<b>7,477</b>

### General Goal 2, Control of Weapons of Mass Destruction

Nonproliferation and Verification Research & Development .....	228	224	272	+48	21.4	279	288	301	312
Nonproliferation and International Security .....	86	91	80	-11	-12.1%	82	83	85	87
International Nuclear Material Protection and Cooperation .....	229	295	343	+48	16.3%	351	358	366	373

(dollars in millions)

	FY 2004	FY 2005	FY 2006	\$ Change	% Change	FY 2007	FY 2008	FY 2009	FY 2010
Global Initiatives for Proliferation Prevention.....	40	41	38	-3	-7.3%	39	39	40	41
HEU Transparency Implementation.....	18	21	20	-1	-4.8%	21	21	22	22
International Nuclear Safeguard and Cooperation .....	20	0	0	0	0	0	0	0	0
Elimination of Weapons-Grade Plutonium Production .....	82	44	132	+88	200%	138	137	140	143
Fissile Materials Disposition .....	645	613	653	+40	6.5%	667	680	693	708
Global Threat Reduction Initiative .....	69	94	98	+4	4.3%	98	102	101	101
Program Direction .....	56	55	60	+5	9.0%	62	65	67	70
Offset/PY Balances .....	- 49	-120	0	120	-100%	0	0	0	0
Total Goal 2, Control of Weapons of Mass Destruction.....	1,424	1,477	1,697	+220	14.9%	1,735	1,775	1,815	1,857
<b>General Goal 3, Defense Nuclear Power (Naval Reactors) .....</b>	764	801	786	-15	-1.9%	803	821	839	857
Use of PY Balances.....	- 2	0	0	0	0.0%	0	0	0	0
Total Goal 3, Defense Nuclear Power (Naval Reactors).....	762	801	786	-15	-1.9%	803	821	839	857
<b>General Goal 6, Environmental Management</b>									
Environmental Projects and Operations.....	182	192	174	-18	-9.4%	160	132	113	117
Total Goal 6, Environmental Management .....	182	192	174	-18	-9.4%	160	132	113	117
Total, NNSA .....	8,929	9,164	9,397	+233	2.5%	9,615	9,825	10,051	10,308

Note: NNSA Program Direction expenditures funded in the Office of the Administrator appropriation have been allocated in support of Goals 1 and 2. Goal 1 allocation includes Federal support for programs funded by the Weapons Activities appropriation, as well as NNSA corporate support, including Federal staffing at the site offices. Goal 2 allocation includes Federal support for all Nuclear Nonproliferation programs. Program Direction expenditures for Naval Reactors, supporting Goal 3, are funded within the Naval Reactors appropriation.

## Funding Summary by Site

(dollars in millions)

		FY 2006 Office of the Admin	FY 2006 Weapon Activities	FY 2006 Nuclear Nonprolif	FY 2006 Naval React	Total FY 2006
FY 2004	FY 2005					

### Chicago Operations Office

Ames Laboratory.....	0.3	0.3	0	0	0.3	0	0.3
Argonne National Laboratory .....	22.1	28.7	0	3.2	33.0	0	36.2
Brookhaven National Laboratory .	34.1	61.1	0	2.2	58.0	0	60.2
Chicago Operations Office.....	488.4	439.8	1.7	33.7	391.0	0	426.4
New Brunswick Laboratory .....	1.1	1.1	0	0	1.1	0	1.1
Lawrence Berkeley National Laboratory .....	3.8	3.0	0	0	2.7	0	2.7

### Idaho Operations Office

Idaho National Engineering and Environmental Laboratory .....	65.8	70.5	0	2.3	2.8	56.4	61.5
Idaho Operations Office .....	1.7	1.6	0	1.9	0.7	0	2.6

### Kansas City Site Office

Kansas City Plant.....	428.7	363.5	0	355.6	1.4	0	357.0
Kansas City Site Office.....	6.0	6.0	6.3	0	0	0	6.3

### Livermore Site Office

Lawrence Livermore National Laboratory .....	1,208.2	1,170.6	0	997.5	70.2	0	1,067.7
Livermore Site Office.....	17.9	18.4	16.4	2.7	0	0	19.1

### Los Alamos Site Office

Los Alamos National Laboratory .	1,487.7	1,555.4	0	1,351.8	219.2	0	1,571.0
Los Alamos Site Office.....	15.6	15.5	15.5	0.9	0	0	16.4



(dollars in millions)

FY 2004	FY 2005	FY 2006 Office of the Admin	FY 2006 Weapon Activities	FY 2006 Nuclear Nonprolif	FY 2006 Naval React	Total FY 2006
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**NNSA Service Center**

Atomic Energy of Canada, Ltd.....	0.5	0	0	0	0	0	0.0
General Atomics .....	14.4	13.2	0	14.5	0	0	14.5
National Renewable Energy Laboratory .....	1.8	1.8	0	0	1.8	0	1.8
Naval Research Laboratory .....	25.3	35.6	0	0	0	0	0.0
University of Rochester/LLE .....	62.4	72.6	0	45.6	0	0	45.6
NNSA Service Center (all other sites) .....	502.7	442.3	91.1	264.7	201.8	0	557.6

**Nevada Site Office**

Nevada Site Office .....	114.9	83.5	18.0	56.4	0.8	0	75.2
Nevada Test Site .....	369.3	335.5	0	376.0	1.3	0	377.3

**Oak Ridge Operations Office**

Oak Ridge Institute for Science and Engineering .....	8.4	7.8	0	7.9	0	0	7.9
Oak Ridge National Laboratory ...	118.1	171.2	0	8.2	173.7	0	181.9
Office of Science and Technical Information.....	0.1	0.1	0	0.1	0	0	0.1
Y-12 Site Office .....	11.7	12.4	13.1	0	0	0	13.1
Y-12 National Security Complex .	761.3	906.0	0	741.9	43.7	0	785.6
Pacific Northwest National Laboratory .....	119.0	107.5	0	4.0	119.1	0	123.1
Oak Ridge Operations Office .....	23.7	27.5	0	5.9	36.3	0	42.2

**Pantex Site Office**

Pantex Plant .....	450.7	514.9	0	441.8	5.7	0	447.5
Pantex Site Office .....	11.5	12.0	12.3	0.1	0	0	12.4

**Pittsburgh Naval Reactors Office**

Bettis Atomic Power Laboratory..	375.5	391.9	0	0	0	388.2	388.2
Pittsburgh Naval Reactors Office.	8.6	9.1	0	0	0	9.4	9.4

**Richland Operations Office**

(dollars in millions)

	FY 2004	FY 2005	FY 2006 Office of the Admin	FY 2006 Weapon Activities	FY 2006 Nuclear Nonprolif	FY 2006 Naval React	Total FY 2006
Richland Operations Office.....	0.8	1.3	0	2.2	0	0	2.2
<b>Sandia Site Office</b>							
Sandia National Laboratories .....	1,462.5	1,360.2	0	1,119.5	137.9	0	1,257.4
Sandia Site Office .....	14.9	12.9	13.1	0.3	0	0	13.4
<b>Savannah River Operations Office</b>							
Savannah River Operations Office .....	15.2	11.3	0	0	13.0	0	13.0
Savannah River Site Office .....	3.0	3.1	3.3	0	0	0	3.3
Savannah River Site .....	296.2	305.1	0	212.7	69.5	0	282.2
<b>Schenectady Naval Reactors Office</b>							
Knolls Atomic Power Laboratory	301.8	316.8	0	6.5	0	308.0	314.5
Schenectady Naval Reactors Office .....	6.7	6.8	0	0	0	7.0	7.0
<b>Washington DC Headquarters.....</b>	247.7	602.7	159.8	601.8	52.5	13.9	828.0
<b>Other .....</b>	3.9	3.1	0.2	0	0	3.1	3.3
Subtotal, NNSA .....	9,114.0	9,503.7	350.8	6,661.9	1,637.5	786.0	9,436.2
Adjustments .....	- 184.4	- 340.8	- 6.9	- 32.0	0	0	-38.9
Total, NNSA .....	8,929.7	9,163.9	343.9	6,630.1	1,637.2	786.0	9,397.2